



REASURY DEPARTMENT  
BUREAU OF CUSTOMS  
INVESTIGATIVE UNIT  
REASURY ATTACHÉ  
CARE OF AMERICAN CONSUL

EX 1107  
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DEPARTMENT  
COPY

SHANGHAI, CHINA

November 24, 1936.

Commissioner of Customs,  
Division of Customs Agents,  
Washington, D. C.

Sir:

There are enclosed for the information of the Bureau  
and other interested Departments copies of a report entitled:  
"Narcotic Drugs Menacing South Fukien."

Respectfully,

*M. C. Nicholson*  
Treasury Attaché

MRN. G

Enc.

Shanghai, November 23, 1936

NARCOTIC DRUG TRAFFIC IN SOUTH CHINA

## 1. Morphine Traffic in Amoy and Kulangsu.

The morphine sold in Amoy is principally supplied by the following three Japanese companies: The Kaitoh (江東) Company, the Sanyo (三共) Company and the Nanihaya (浪速) Company. When the morphine trafficker places an order with one of these companies for a certain amount of morphine, it is brought to him at the appointed time. The morphine is brought to Amoy by the smuggling ships which are escorted by gunboats. Every year the Nanihaya Company sends a special messenger to Amoy to make arrangements with the local morphine traffickers.

The chief agent for Japanese morphine in Kulangsu is Chen Ching-hui (陳晉惠), a native of Hsian (惠安), while the agents in Amoy are the Kwangsen Pharmacy (廣生為善), the Taisen Pharmacy (大生為利) and the Tafeng Pharmacy (大豐為利), all of which were opened by Chien Sze-yuan (簡士元) and his brother, the former being the vice-chairman of the Formosan Union. Chen Ching-hui has sub-agents in Chingkiang (晉江), Nan-an (南安) and Hsienyu (仙遊) and has made tremendous profits.

The Japanese have recently opened a morphine manufactory in Dairen, so the price of morphine in Amoy is expected to become cheaper. It is learned that Chen Ching-hui is prepared to go to Dairen to make personal arrangements with the new drug plant.

Besides morphine, other drugs are also sold by the pharmacies operated by the Chien brothers. It is very hard to seize these drugs, for as soon as they arrive in Amoy, they are immediately sold.

Morphine sells very well in Hsienyu, for it is served like tobacco and cigarettes on religious occasions and at weddings. The local habit is to dissolve morphine in a cup of water and put it on the table so that the guests may use the morphine juice to moisten their lips.

It is learned that when pig dealers from Hsingham ( ~~the~~ ) and Haisyu ( ~~the~~ ) come to Amoy, they spend half their money obtained from the sale of pigs to buy morphine.

There are two morphine manufactories in Amoy, both being owned by Portuguese. One makes morphine by machine, while the other makes morphine by hand. The hand method is to fill the entrails of pigs with prepared opium, tie them tight and place them in the water. By this process the juice of prepared opium gradually passes through the membrane of the entrails into the water. The next day the water is boiled until only the morphine element is coagulated.

### 2. Red Pills in Amoy.

Red pills are sold secretly by the smoking dens in Amoy. Six boxes, each containing 1000 tablets, are sold every day. Most of the red pills are imported from Shanghai where there are special secret plants for manufacturing the said drug. The manufacturer sells a box to the chief agent at \$8.00, the agent sells a box to the wholesaler at \$10.00, the wholesaler sells 60 tablets for \$1.00 to the retailer and finally the retailer sells three or four tablets for ten cents to the drug addict. As every one knows, red pills are a very poisonous drug. Once a man is addicted to it, not only will he never get free of it, but also he will have to take more and more. One woman addict in Amoy is known to smoke \$16.00 worth of red pills every day in order to satisfy her craving. The smoking of red pills does not differ from that of opium except that the mouth of the pipe is smaller. The dross left by two pills can be used to make a new tablet.

It is learned from secret sources that Paul Yap, the chief agent for government opium in Amoy, has operated a secret plant for manufacturing red pills, but that in order to avoid discovery, he does not maintain direct relations with his agents.

### 3. Poppy Cultivation Suppressed in Chingkiang.

Poppy cultivation is still carried on by the peasants in the

countries and villages of a part of Fukien. On instructions from the  
Opium Suppression Inspector-General, the Chingxiang ( 清 乡 ) Hsien  
Government has sent a circular order to various poehis asking them to  
strictly suppress the cultivation of poppies. At the same time a notice  
has been put up to the effect that poppy cultivators shall be punished  
with death.

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